

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 407 – SB 677**

March 9, 2017

**SUMMARY OF ORIGINAL BILL:** Eliminates the accrual of interest on child support arrearages.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (004086):** Deletes and replaces language of the original bill such that the bill as amended eliminates the accrual of interest on child support arrearages, unless the court makes a written finding that interest will continue to accrue. Requires the court, in making such funding, to set the rate at which interest shall accrue, but at no more than four percent per year.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- Based on information provided by the Department of Human Services (DHS), the proposed legislation will not affect any operations, procedures, or policies of the DHS; therefore, any fiscal impact to the Department is estimated to be not significant.
- Any impact on the court system will not be significant and can be accommodated within existing resources.
- The provisions of the proposed legislation may reduce the amount of child support exchanged amongst private parties; as a result, any impact to state or local government is estimated to be not significant.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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